

# **CIVIL SOCIETY and BUDGET ANALYSIS**

Experience of Civil Society  
and Budget Analysis  
in Nepal, Bangladesh and India

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## CBPS Monographs

- ❖ “Decentralisation From Above - Panchayat Raj in the 1990s,” by Vinod Vyasulu, March 2000.
- ❖ “Democracy and Decentralisation: A Study of Local Budgets in two Districts of Karnataka,” A. Indira, et al., March 2000.
- ❖ “Democracy and Decentralisation: Zilla, Taluk and Grama Panchayats,” A. Indira, et al., March 2000.
- ❖ “Small Enterprises in Karnataka - Lessons from a survey in Karnataka,” A. Indira, B.P. Vani, Vinod Vyasulu, February 2001.
- ❖ “Development at the District Level: Kodagu in the 1990s,” A. Indira. Note submitted to the District Planning Committee, March 2001.
- ❖ “A Health Budget in Karnataka: A Preliminary Study,” A. Indira, Vinod Vyasulu, April 2001.
- ❖ “The Estimation of District Income and Poverty in the Indian States,” A Indira, Meenakshi Rajeev, Vinod Vyasulu, August 2001.
- ❖ “The Budget for Education - A Study at the District Level in Karnataka,” by Vinod Vyasulu, A. Indira, November 2001.



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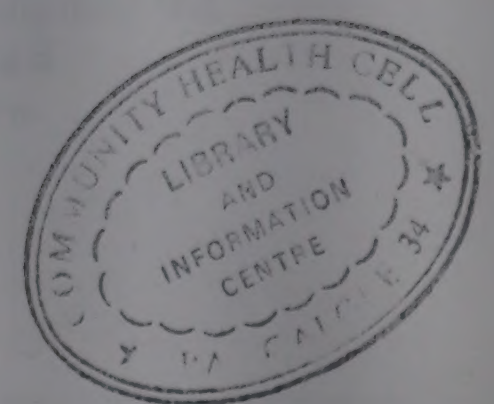
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## Acknowledgements

The CBPS is grateful to the International Budget Project at the Center on Budget and Policy Priorities in Washington DC, USA, for the opportunity to organize and learn from this intense interaction with friends and colleagues from Nepal, Bangladesh and India. This was part of a larger exercise that the IBP is co-ordinating in budget analysis work in civil society.

Such direct interaction between professionals in neighbouring countries is an excellent way of mutual learning, and we certainly learned a great deal from it, in part because of the different perspectives that each brings to a common theme. Perhaps this is because we have had no opportunities before for such interactions on this and related subjects. We hope there will be much more such interaction.

Shizu Upadhyaya and Action Aid Nepal made sure that we felt at home and did their best to make this workshop a success. Dr Regmi was most kind and gave us the benefit of an Inaugural address in the midst of interviews he had to conduct. We appreciate this very much. Mr Amitabh Behar of the Ford Foundation Delhi spent a lot of time with us, and suggested that the Nepal team submit a proposal on Budget Analysis to the Ford Foundation.

We received a warm welcome in Kathmandu, excellent co-operation, and useful inputs from the many organisations that participated in the workshop. We have mentioned each one in the body of this report. Everyone took a great deal of trouble, not only to tell us of their own work, but also to learn from the impressions and experiences of others. This exchange of views and experiences was of a high order and we can only hope to organize and facilitate more such interaction.

The participants were a flexible and accommodating group, friendly and full of team spirit, united in the joy of being in Kathmandu, a city full of beautiful architecture and enthusiastic people. We, unfortunately, managed very little by way of sightseeing or shopping. The focus on work was such that one could sense an unflagging sense of willingness and commitment of the participants to their projects.

English, which is not the mother tongue of any of those present, was the language of the workshop. However, to ensure that language did not become a constraint, all the participants made efforts to see that all had their say. Every one helped in translating from Nepali, Bengali, and sometimes Hindi. This openness was an important element in ensuring that there was a genuine dialogue in the three days of the workshop.

The participants from the CBPS- K Jaisimha, Vinod Vyasulu, A.Indira and Meenakshi Rajeev provided excellent back up support, in addition to their participation in the workshop.

Grateful thanks to all of them for their contribution to the success of this workshop, an effort to unite neighbouring countries sharing similar experiences and circumstances in the field of Budget Analysis.

**Jonna Vyasulu**







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## **"THE INTERNATIONAL WORKSHOP ON CIVIL SOCIETY AND BUDGET ANALYSIS": A REPORT**

### **BACKGROUND**

This workshop in Kathmandu was the result of the interaction between CBPS and the International Budget Project in the Center on Budget and Policy Priorities Washington DC, in a series of workshops held in various parts of the world - in Washington, DC, Cape Town, and Mumbai. Similar workshops to this are being organised by other members of the IBP network in other developing countries such as Bolivia, Costa Rica and Senegal. The IBP is collaborating with the World Bank and the Department of International Development in this exercise.

CBPS, in collaboration with Action Aid Nepal, organized this conference on issues in Budget Analysis and civil society experiences in Kathmandu, Nepal, for a group of 20 people, from Nepal, Bangladesh and India. The group consisted of representatives from NGOs, government and academia. [A list is annexed].

The objective of the workshop was -

- to share the experiences of Nepal, Bangladesh and India in the relatively new area of budget analysis in a common forum and try to become familiar with each other's work, keeping in mind the commonalities and differences between our neighbouring countries in terms of geographical, economic and social structures, government and social action groups relative to the analysis and implementation procedure and policies of the budget.
- to facilitate the exchange of information between countries and similar organizations in this area of work and to widen the network and scope of this type of analysis from the sharing of a collective learning
- to develop the capability of the participants in the area of civil society and budget analysis and to encourage greater citizen interaction between government, local legislatures, communities and citizen-based action groups.
- to use this opportunity and interaction to sharpen proposals on budget analysis in different contexts in participating countries and to try and obtain funding for these specified proposals and for consistent and consequent interaction between groups in South Asia.

The tour logistics were efficiently looked after by Vijaya Shenoy of Desiderata Travels. The Centre for Budget and Policy Studies Bangalore, in collaboration with Action Aid Nepal co-ordinated the details of the workshop towards meeting the objectives of the participants.



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This is a documentation and record of the event and the learning that took place in this workshop. It cannot, and does not, claim to be an exhaustive record of events, nor a complete one. It represents no more than one point of view of this very educative exercise. And as partners in this exercise, we would like to believe that all went well! This report must therefore be supplemented by other views, reports and recollections if a complete and accurate picture is to be presented. In particular, subsequent reports from participants from Nepal, Bangladesh and the other Indians must be looked at for a fair and complete picture to emerge.

There were various organizations, from different areas and perspectives in the field of Budget Analysis. These were a combination of NGOs, local government and private ventures. A list of participants in India was drawn up by the CBPS, and in Nepal by Action Aid Nepal. The Bangladeshi group was invited on the basis of recommendation by Dr Atiur Rehman, of the Bangladesh Institute of Development Studies, who was a participant in the earlier Mumbai workshop organised by the IBP.

The team from India arrived on Wednesday, the 26th of June 2002, followed by the group from Bangladesh. We went straight from the airport to "The Himalayan Club" in Nagarkot, Nepal - a hotel par excellence, charming in aspect that boasted "Comfort at 7200 feet". Here, we had some time to get to know each other and spend some time on a mountaintop, rejuvenating from the journey and gearing up for the workshop, which held much promise. The team from Nepal, unfortunately, could not be there and we met up with them the next morning.

The workshop began on 27th June 2002 at the Yak and Yeti Hotel in Kathmandu. A beautiful conference room was put at our disposal. The groups were divided country wise to make their presentations; CBPS was the facilitator and mediator. We are happy that just about everything planned was achieved. In addition, we were overwhelmed and enriched by the cumulative learning that was a result of this workshop.

The papers presented by various participants are annexed.

We record, in brief, the schedule of the workshop, as it happened.

### **26th June 2002 (Wednesday)**

- Indian and Bangladeshi Groups Meet for Tea & Dinner at Himalayan Club, Nagarkot, Nepal.



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- General discussion outlining work done and presentations to be made, all in an informal, but breathtaking ambience, high in the mountains.

### **27th June 2002 (Thursday)**

- 8 am Groups meet for breakfast and depart to Hotel Yak & Yeti, Kathmandu, the venue for the workshop.
- 11 am Nepal, Bangladesh and India meet at "Regency", to get the show on the road!

#### **The Morning Session :**

- Introduction by Dr. Vinod Vyasulu
- Inaugural note by Dr. Shibesh Chandra Regmi, the Country Director of ActionAid Nepal.
- Introduction of participants (List of Participants & Organizations in the annexure).
- Short summary by Amitabh Behar, Ford Foundation of their experiences the field of Budget Analysis, with specific reference to DISHA and their intention to support a National Institute of Budget Analysis in Delhi to support the work already being done in India at local levels.
- Presentation by Vinod Vyasulu, CBPS, Bangalore outlining the objectives and essential focus of the workshop and the kinds of work undertaken in Budget Analysis.
- Presentation by A. Indira, CBPS, Bangalore - Background of the International Budget Project and her experiences of Budget Analysis, with reference to the workshops at Mumbai and Egypt.
- Questions and general discussion by participants, sharing their experiences in the area of budget analysis.

#### **Lunch**

Afternoon Session- chaired by Dr Zulfikar Ali , BIDS, Dacca

- Presentation by Dr. Meena Acharya, Nepal - A general introduction to the governance structure of Nepal and a Methodological Note on Gender Budget Auditing.



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- Presentation by K. Jaisimha, CBPS - Introduction of governance structure of India and an outline of CBPS experiences of budget analysis in the local self government.
  - Presentation by Sandeep Dikshit, Sanket Development Group, Madhya Pradesh - experiences in the formulation of the Human Development Report of MP, leading to use of tools and advocacy of budget analysis.
  - Presentation by Maheen Mirza, Sanket Development Group, Chhatisgarh - experiences in the formulation of the "Janrapat" or People's Report in Chhatisgarh. How could budget analysis be made part of this exercise?

### **28th June 2002 (Friday)**

Morning Session-chaired by Dr. Keshav Acharya,

Presentations by the Bangladesh group:

- Presentation by Zulfiqar Ali, BIDS
- Presentation by Shafiqur Rehman, Unnayan Shamanny
- Presentation by Arifur Rehman, BIDS

### **Lunch**

Afternoon session -chaired by Prativa Subedi, WACN, Nepal

Presentations by the Nepal group.

- Presentation by Dadhi Adhikari, CPWF, Nepal - Profile of CPWF and their interest in budget analysis and the formulation process in the local governance level.
- Presentation by the Chaudhary brothers, BASE, Nepal - Share experiences at the grassroots level of liberating bonded labourers, wants to begin budget analysis as a tool to strengthen social mobilization.
- Presentation by Mr. Surendra, Lumanti, Nepal - Profile of Lumanti and their experiences in Report Card Testing.
- Presentation by Prativa Subedi, WACN (Nari Chetna Kendra Nepal) Nepal - Profile of WACN and their experiences in Budget Analysis, with reference to gender.



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## 29th June 2002 (Saturday)

Session chaired by Shizu Upadhya, Nepal

Presentations by Indian group.

- Presentation by Vinod Vyasulu, CBPS, Bangalore - Shares experiences of Budget Analysis undertaken by CBPS with special focus on Campaign Proof, about to be launched.
- Presentation by T.K Jain, Ajit Foundation, Bikaner - Profile of Organization and their intention to begin budget analysis as a tool to ensure accountability and encourage social mobilization in Bikaner, a town in Rajasthan.

11 am -Discussion of ideas emerging from group work in the past two days:  
Proposals from Bangladesh

- A Study in collaboration with IBP and CBPS on the importance of the participation of local government in budget analysis.
- Research Project on National Budget Process in Bangladesh

Proposals from India

- CBPS - The Campaign Proof Project
- Ajit Foundation (T.K Jain) - Study on the Municipal Aspect of Bikaner in Budget Analysis
- Sanket Development Group (Maheen Mirza & Sandeep Dikshit)- Integrating budget work into the Janrapats in Chhattisgarh

Proposals from Nepal

- CPWF & BASE -proposals building on work already underway in the country

Concluding Session-Vote of Thanks and Group Photo



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## **THE WORKSHOP**

**Inaugural Note - Dr. Shibesh Chandra Regmi,  
Country Director, ActionAid Nepal.**

Dr. Shibesh Regmi welcomed all the participants to Nepal and thanked Dr. Vinod Vyasulu & CBPS for the opportunity of collaborating in this venture on Budget Analysis, a revolutionary area of work where AAN has been involved for some time. They have established links with key budget activists like - Mr. MD Mistry of DISHA, Gujarat, Mr. Vivek Pandit of the Center of Budget Studies, Mumbai and Dr. Vinod Vyasulu, CBPS, Bangalore. This interaction has been very fruitful. This further exchange is therefore quite welcome as it builds on the past and provides opportunities for the future.

ActionAid Nepal (AAN) is a secular and non-political developmental organization working towards eradication of poverty - for more than 30 years in the world and about 20 years in Nepal. Long term experience of poverty work in over 40 countries of the world, including Nepal has shown that poverty is widespread and the causes are many. The actions based on decisions of the past and the present by powerful factors and institutions in a non-participatory manner has led to extreme poverty. The most guaranteed way to reduce and eradicate poverty is to institutionalise the practices of participatory, accountable and transparent governance that promote equity and social justice for all. No amount of short term and temporary measures can take the place of this long term and sustainable poverty combatant. This type of governance is not a luxury; it is indeed, a people's right, as enshrined in laws and constitutions all over the world. AAN's approach to poverty eradication is the Rights Based Approach and is being taken forward in about 10 countries - India, Nepal Bangladesh, Pakistan, Afghanistan, China, Myanmar, Vietnam, Cambodia and Laos. The Rights Based Approach is one that engages citizens in decision-making regarding issues that affect their lives - social political, economic and legal issues. It is about capacity building and spreading of knowledge in poor and marginalized communities to make it easier for them to bargain with local government authorities in order to negotiate their rights. This approach opens up channels for citizens to hold decision makers accountable, as well as alerts decision-making authorities to their duty and responsibility towards the poorest and most marginalized sections of society.

AAN has a commitment to budget analysis work, which can be linked, to the establishment of the Citizen's Poverty Watch Forum in 1998 with a view of promoting independent budget analysis in Nepal. In AAN, budget analysis, social auditing, report card writing and participatory review and reflection (PRRP) are tools used to open up channels of accountability and participation between people and the government, between citizens and the state. We want to know what is



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being planned, who decides various activities, how much money is available to society, how much has been spent and on what. And where there is a gap between words and deeds, analysis is about questioning the gap and finding out what happened and why.

AAN feels the need to introduce these tools to communities across Nepal, including, of course, government authorities in this learning process. These tools do not result in sidelining the role of the government, but of strengthening it, in a more strategic way. At the local level, budget analysis work will involve the poorest and most deprived men and women in annual planning and expenditure exercises. At the national level, one should monitor Government revenue collection and expenditure, in line with their stated objectives, as spelled out in documents such as the forthcoming Poverty Reduction Strategy Paper (PRSP) and in plans and policy of government.

New and innovative tools and methods have been developed in India and duplicated in other parts of the world. There is no reason why such tools will not emerge from this group. At AAN, budget analysis is a new arena and we look forward to the sharing and learning experiences in this vast, complicated and challenging area. One hopes that this workshop will become a milestone in the establishment of a network of budget analysts and professional links in the South Asian region. In view of the composition of highly competent, experienced and committed activists, development practitioners, social analysts and professionals from Bangladesh, India and Nepal, one is confident that this workshop will develop emerging key ideas into projects that Vinod Vyasulu and his network could secure funding for.

With a warm welcome and a word of thanks to the gathering, the floor was handed over to Vinod Vyasulu.

### **An Overview - Dr. Vinod Vyasulu**

Vinod Vyasulu thanked Dr. Regmi for this concise background to the field of budget analysis and of the commitment by AAN in this area. Budget analysis has been moving out from the economist's research agenda into that of civil society- and in the process it has become more contextual and concrete. From concerns with macrobalances and deficits, attention has shifted to actual choices made by governments who have made promises to the electorate and the impact of such choices on different groups in society, especially the poor.

There are many dimensions to budget analysis-from aspects of raising revenue and the impact of taxes to patterns of expenditure. The involvement of



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civil society has also meant that attention is now being given to the different levels of government: the focus is not on national budgets alone, but on local ones as well. And issues of equity-over time, over space and across gender have come to centre stage. In this civil society has made an important contribution.

He drew to attention the energizing and enriching introduction of the participant's experience and record of work. Each individual has a considerable base on which the tools of budget analysis can be built further. He stressed the difficulties and complexities in the economic and political arena of such work and hoped that more technical sessions and analyses will help the participants to grow.

Budget Analysis needs a good basic accounting system to bridge the gap between theory and practice, as Dr. Regmi mentioned. He hoped that this workshop would be a breeding ground for more ideas and this collective learning will lead to securing funding for rural areas, wherever it is needed most.

A brief explanation of the work of the CBPS followed. The organisation has been concerned with budget analysis at the panchayat level. After the 73rd amendment, much responsibility fell on these newly elected local governments-but they had little or no experience of governance. Budgets are an important element of such governance, and the CBPS has been working on budget analysis, training, and improvement of the local budget systems. Till now, CBPS had concentrated on district level government; it is now moving on to study small municipalities in the Bangalore region.

The focus and initiative of CBPS in this workshop on civil society and budget analysis is to facilitate and mediate the exchange of information, of common issues to be realized and concretised into proposals that can be used to seek funding. Vinod Vyasulu mentioned the initiative of IDASA in South Africa which worked together with the Finance Ministry and helped focus attention on deprived sections of the society, with concerns of gender, the environment and levels of local governance policy. IDASA heralded a revolutionary budget policy from civil society.

One realizes the need for more "Pro - Poor" budgets that are alternative and independent of government, religion, constitutional practices and so on. Only civil society and non-profit organizations, in collaboration with citizens can come forward with such budgets.

***"It is necessary to situate oneself and focus on analysis and implication to lobby for a change within budget analysis, not only in terms of numbers, but a context and constituency of work towards concrete and desired output, that is - change."*** We need more pro-active measures of analysis to keep a



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check whether the government is keeping budget promises. For example in Karnataka, the government promised that 6% of the GDP would be spent on education, but studies showed that only 3.4% was actually spent. What happened to the rest? Why was it not spent on education? Where did the money go? Who was responsible for the shortfall? What was the consequent problem faced by this gap between word and deed? Who suffered? How?

These are some of the questions that can be answered using budget analysis. As societal demands increase, we need to balance needs and reduce poverty. This can be accomplished in part by using tools of budget analysis. On the whole, we need to start using this field as a reality check and to keep the government accountable to us. We cannot let them abdicate their responsibility to the poor and deprived sections of society because they cannot voice their opinions. We need to speak for them, using analysis as a weapon against corruption. And, from the august gathering here, it is a task that can be undertaken.

#### **Brief Outline by Amitabh Behar, Ford Foundation, Delhi.**

Mr. Behar introduced the civil society and governance program of the Ford Foundation, which aims to:

- Strengthen the Panchayati Raj
- Strengthen local civil authorities and local government
- Promote accountability and responsibility in governance

These aims can be achieved using tools of budget analysis and reviewing the procedures followed frequently.

Ford Foundation has supported various groups such as DISHA in Gujarat that works with tribals, who were not able to access funds allotted to them. DISHA used budget analysis to ensure that local authorities released funds to tribals in social sectors such as education and health. They formulated an advocacy plan, where the budget would be planned and analysed every year, with respect to priorities of the people.

In collaboration with CBPS, in Karnataka and Maharashtra, budget analysis and advocacy in local councils and special sectors is conducted. FF also hopes to support and set up a National Budget Analysis Center, which will serve as an institution to mobilize local groups, promote networks and links between activists and analysts in the field and to analyse national budgets and share this body of work with other regions in South Asia.



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## **Presentation by Dr. A. Indira, CBPS, Bangalore**

Dr. A. Indira shared her experiences of the conference held in Mumbai and of her visit and research in Egypt.

The International Budget Project has been active in India since 1998. A workshop with the Ford Foundation and IBP was held in Goa in October 1998 which was attended by 30 participants, including the Citizen's Poverty Watch Forum in Nepal. [A report, titled *Budget Analysis and Policy Advocacy*, by Abha Shankar and Mark Robinson was brought out after this workshop]. That set the stage for NGOs to become active in this field. The 3rd international budget project conference in Mumbai took this further and was a base for the meeting of people from about 24 countries.

The conference discussed the similarities and differences between various government and social systems across the globe and tried to draw a pattern of Budget Analysis that would focus on anti poverty issues. The role of National government, sub national government and local governments as well as their responsibility and relationship to each other was also discussed and one recognized the need for this 3 tier system to work smoothly and in collaboration with each other and in turn, with the people for the benefit of the country as a whole.

The Cairo experience in April this year was new and novel - in every sense. It offered a different perspective of pro poor budgeting, where the role of the national government is limited and the local government is more effective. The Middle East countries of Libya, Lebanon, Egypt, Sudan, Jordan, Ethiopia, Morocco and other Islamic Arab countries share a common heritage and come from the same womb. Although there are differences in terms of language, political environment, and social structure, they are highly self-reliant. Budget Analysis comes to play and the Universities and other research institutions take the forefront (Egypt) and the government is an advisory body only. In Libya and Lebanon, the NGOs are forerunners in the field of budget analysis and advocacy. These perspectives draw one's attention to the South East Asian region because there is a similar situation at play. Our countries share a common bond and through budget analysis in this workshop, we should strengthen that bond and unite to eradicate poverty using each other's strengths and downplaying common weaknesses.

Mr. Keshav Acharya wanted to know what the relations are between levels of govt. in Mid East countries and who provides resources to the university?

Meena Acharya asked how NGOs can make local budgets, how national budgets can be formulated by NGOs and how they can be "alternate" national budgets?



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Dr. Vyasulu answered that it is drawing out the implicit assumptions, and perhaps in posting alternative assumptions, that the "alternative" can be seen. It is the debate that is important.

**Presentation by Dr. Meena Acharya, TPAMF, Nepal - Methodological Note on Gender Budget Auditing.**

Dr. Meena Acharya gave a general introduction to the governance structure of Nepal, as a background to her presentation. This showed the similarities and differences as compared to the structure in Bangladesh and India. She stated that any developmental program must be assessed in terms of impact on women and children. She draws attention to the fact that women are not given a chance to air their issues and Ms. Prativa Subedi of Nari Chetna Kendra emphatically agreed with her. Women need to be consulted on issues that will influence their lives.

Dr. Acharya also stressed the need to have more workshops on Gender for men, who are a major factor in gender inequality. What changes gender relations? She cited an example where in certain areas, the wife's income is added to the husband's - this makes it fall into a higher taxable slot and leaves the woman with no identity. Such issues should be examined in gender budget auditing. Another suggestion in the methodology is that the financial allocation should be categorized in terms of women's involvement. Only when this categorization is complete and assessed, one can judge whether the budget is fair to women. The impact of the tax structure on women is a major issue in gender budget auditing and one feels that it is essential for the finance ministry to have a gender-auditing department. Such analysis is of high importance in the empowerment and liberation of women, from gender stereotyping and bias.

Mr. Rehman, from Bangladesh stated that in Bangladesh, a passed project proposal is called a "project pro forma" and mentioned that BIDS has also conducted studies on the impact of various projects on women's issues and the extent of impact.

**Presentation by K. Jaisimha, CBPS - Introduction of governance structure of India and an outline of CBPS experiences of budget analysis in the local self government.**

The work of CBPS on 'Devolution of Finances to Local Self-Government' was presented in the workshop. The presentation began with the introduction of levels of administrative structures of Panchayati Raj Institution (PRI) in Karnataka where the three levels namely the District, Taluk and Grama Panchayat were briefly explained. Next, the sectors that were selected for the study was presented.



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The five sectors were

**1. General Education**

Primary Education  
Secondary Education  
Adult education

**2. Medical and Public Health**

Health,  
Family Welfare  
Women and Child Welfare

**3. Water supply and Sanitation**

Piped water supply schemes  
Urban water supply.

**4. Roads and Bridges**

Rural Roads (Village highways)

**5. Minor Irrigation**

Surface water  
Ground water.

The problem of Budget data collection during the entire project period in both the districts - Bangalore (Rural) and Dharwad of the state was highlighted. This was followed by the key findings in the selected sectors. As an illustration the findings of only two sectors namely General Education and Health were discussed. One of the key findings in education was that the share of primary education was 70 % as against the Secondary and Adult Education. The other finding was the per capita allocation per student in education - by combining three schemes namely salaries, scholarships and incentives and investment on buildings. It was found that the per capita allocation in 1994-95 was Rs 32.07 as against the expenditure of Rs 32.30. Further, out of Rs 32.30 the salary to teachers was Rs 23.25 (about 84 %), the expenditure towards scholarships & incentives was only Rs 0.55 (about %) and finally for building the amount spent was Rs 8.40 (about %). Similarly, in Medical and Public Health the share of the state has drastically come down over the years and expenditure especially on women and child welfare is made only from central government sponsored funds. In continuation with the same sector, it was found that most of the expenditures were being made on paying salaries to the staff working in Health Department.

Finally the perception of both the elected representatives and the officials of PRI in both the districts were highlighted to the participants.



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Later workshops were held to share the findings. The response was unbelievable-each district wanted CBPS not only to train local people but to continue to work with them on an ongoing basis. CBPS is finding it hard to cope with the magnitude of the demands being made on it.

**Presentation by Sandeep Dikshit, Sanket Development Group, Madhya Pradesh - experiences in the formulation of the Human Development Report of MP, tools and advocacy of budget analysis.**

Mr. Dikshit explained the revolutionary undertaking of the MP Government which commissioned a group of individuals, independent of the government, comprising of economists and professionals to visit various parts of the state, conduct an extensive study and submit a report, which would become a political tool owned by the state - the HDR of MP. This report was qualitative as well as quantitative in approach, and highlighted health and education sectors. The report gave indication of the status of MP - where are we today and where do we want to be a few years down the line? How do we reach there? What is our focus? From the report of 1995, the focal point was the importance of education. Thus, the MP government focussed on revenue free initiatives for education and this gave birth to the Education Guarantee Plan of MP, which highlighted greater initiatives in mobilization of existing resources and the exchange of knowledge, but used a minimum of financial resources. The next step would be to see how the MPHDR is linked to annual budget formulation and analysis by the local government in Madhya Pradesh.

**Presentation by Ms Maheen Mirza, Sanket Development Group, Chhatisgarh - experiences in the formulation of the "Janrapat" or People's Report in Chhatisgarh.**

*"A truly participatory budget should fully try to capture the voices of the people, their priorities, perceptions and dreams."*

Chhatisgarh is a new state of India, formed on 1st January 2000. In the history of India, this is the first time that a state has attempted to collect data across such a large section of population. The state government, along the lines of the MP HDR initiated a mammoth project, in terms of qualitative and quantitative data. It is an attempt to record the voice of 19000 villages and their inhabitants. Their voice on whatever they feel they need to express "a local flavour in the field" - be it budgetary issues, tribal feuds, alternative methods of medicine, forms of music, craft and so on. It is rightly, then, called the "Janrapat" - the people's report. It serves as a "reality check" - similar questions as the MPHDR, but has different problems and dimensions to it.

The report would evolve and emerge from a combination of quantitative data



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and discussions in each of the 19000 villages. A group of highly qualified professionals have been selected (under a highly specialized and selective process) who will then go into the villages and begin to collect this data and facilitate discussions. These discussions have been divided into a broad framework, so documentation becomes loosely structured and the issues are:

- education,
- health,
- livelihood, culture, society, relationships
- formal and non-formal institutions
- water, forest, land

The focus and onus is the village itself - what does the community need? What will it contribute? What minimal outside intervention or contribution, if any, is required?

The final endorsement of the Janrapat is the ratification process. The entire village assembly must approve it.

It will state all its findings, without prioritising items and seeks to be a document with minimal influence from the state. The lack of prioritisation at this stage is deliberate. It is meant to bring out all needs and requirements. The needs of the poor may get neglected or be unstated if only the "important" things are asked for, given the inequitable power relations. Once the voice has been heard, priorities can be decided later.

This fascinating procedure is still not complete, but will be soon. One can only hope that such an ambitious and idealistic project will be a grand success.

On a personal note, one thinks it is a fascinating way to get an insight into the preservation of a heritage that is dying out, in terms of traditional methods of medicine, folk music, arts and craft and so on!

### **Presentations by the Bangladesh group**

The group from Bangladesh consisted of scholars from BIDS, MD. Zulfiqar Ali, MD Arifur Rehman and MD Amir Hussein. An elected representative from the panchayat level - Mirza M Shafiqur Rehman and another member Ms Shahnaz Begum Sumi from a women's organisation also participated in this workshop.

In Bangladesh, local level budget making process is just beginning with four Union Parishads (i.e, village level local government) starting their own participatory budget formulation process. Mr.Lebu had delineated this process where a gram



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sabha had been called to discuss the budgetary issues. While around 3000 villagers were present only 40 or 50 of them were vocal. This may be due to lack of experience and knowledge on the subject. However, interestingly enough through intense debate in the gram sabha they have been able to come up with a budget of their own.

However, from the presentation of the BIDS scholars it became clear that the budget in Bangladesh mainly mean national budget. Local level budgets still have not got prominence. The team had presented the pros & cons of their national budget. Advocacy in such cases is limited to asking from higher funds for special groups like "poor" or "women" etc. Not having local level budgets may be a lacuna in the local governance system of Bangladesh.

The team therefore tried to address these issues when they presented a possible proposal for future work.

**Presentation by Dadhi Adhikari CPWF, Nepal - Profile of CPWF and their interest in budget analysis and the formulation process in the local governance level.**

In his presentation, Mr. Adhikari stated that sharing experiences in the field of budget analysis will strengthen individuals as well as organizations undertaking this kind of work. It is highly essential that the local government and civil society is familiar with the budget formulation process. He shared the problems of budget analysis in Nepal as well as the scope for budget analysis in Nepal.

CPWF was formed as a result of a workshop organized by the National Planning Commission, the World Bank, UNDP, ActionAid Nepal, Plan International and CECI in Nepal, in January 1998. The workshop comprised of individuals from different NGOs, government officials, bilateral and multinational donors, journalists and government officials, all in the field of eradicating poverty. The need of the hour was an independent forum to keep a check on government and donor policy, from the perspectives of the poor and to interact with civil society. An independent forum was formed, with a group of professionals, from various fields, uniting to fight against increasing levels of poverty, corruption and social evil. The forum is a non-profit, non-political and secular organization that believes in participatory decision-making.

The earlier co-ordinator, Laxman Acharya, had taken part in both the Goa and Mumbai workshops. CPWF had also interacted with Vivek Pandit of the Centre for Budget Studies in Bombay. But this was the first opportunity for the group to meet with others working in the same field and share experiences. This should happen more often.



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The forum conceives of an ideal society with basic features of sustainable development, social equity and justice. Poverty can be alleviated through an appropriate and equitable allocation of available resources. Effective and efficient implementation is equally important toward optimising resources and achieving this goal of an ideal society. The forum seeks to help formulate pro poor policies and programmes for the allocation and utilization of public resources. Thus, they will watch generation, allocation and implementation of the public sector budget from local to national levels. Their findings will be brought to public debate to seek solutions.

**Presentation by the Chaudhary brothers, BASE, Nepal - Experiences at the grassroots level, wants to begin budget analysis as a tool to strengthen social mobilization.**

The Backward Society of Education is a mass membership based NGO. It believes in "working to create and exploitation free society." BASE was officially registered in 1991, after the restoration of democracy in Nepal. It was started as a grassroots social movement but is now actively involved in implementation of rights based education, women development, health awareness and community development activities through social mobilization under the slogan - "Education at first sight." The main aim of BASE is to uplift the livelihood of the deprived Tharus, an indigenous group in Nepal and other marginalized sections of society, with focus on Kamaiyas or bonded labour in Western Nepal, whose lives are characterized by extreme poverty. BASE has links with other organizations in the field as well as with human rights activists and professionals.

BASE works in 6 districts in Nepal: Dang, Salyan, Banke, Bardiya, Kailali and Kanchapur. BASE builds upon and strengthens committees formed by villagers. These village committees supervise the BASE programme and plan their own projects. The main focus of BASE's strategy is to educate people about their rights and assist people in organizing themselves against exploitation. Through training and development programs, the committee members learn how to plan to develop locally, manage saving schemes, increase and encourage the participation of women and claim rights and services from local government authorities.

BASE has been extremely successful in mobilizing a large number of indigenous groups such as Tharus, Magars and other "untouchable" groups like Sarkis, Damais and Kamis that are some of the most marginalized sections in Nepali society.

BASE wants to begin budget analysis to strengthen the scope of social mobilization of people, especially at the grassroots level, with the help of such learning and wants to keep a check on government expenditure by making them



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accountable to all parts of society. BASE expressed its desire to link up and form a network with organizations like CBPS that can share their experience and expertise in the field of budget analysis.

**Presentation by Mr. Surendra, Lumanti, Nepal - Profile of Lumanti and their experiences in Report Card Testing.**

Lumanti Support Group for Shelter is an NGO dedicated to the alleviation of urban poverty in Nepal through the improvement of shelter conditions. In Newari, the original language of the Kathmandu Valley, Lumanti means 'memory'. Lumanti was established in 1993 in the memory of Ramesh Manandhar, an accomplished and revered architect who died in the Thai Airbus crash near Kathmandu in 1992. Ramesh was a driving force in early 1990 behind moves to raise awareness in Nepal about urban poverty and shelter conditions. He believed that every person has a right to decent, habitable shelter and wrote:

"Like farmers have a right to farmland and  
fishermen have a right to fish in the sea  
all people have the right to decent shelter.  
The right to housing is for all.  
But housing is not limited to a house."

Lumanti aims to keep Ramesh's vision alive, by dealing with the improvement and upgradation of shelter conditions, micro-finance, education and children's programmes, good governance, gender equity and advocacy of human rights.

Lumanti works in 68 slum and squatter communities, throughout Kathmandu, Lalitpur and Thimi, facilitating these programmes:

- The Urban Community Empowerment Programme (supported by ActionAid Nepal)
- The Urban Management Programme (supported by the United Nation's Center for Human Settlements - UNCHS Habitat)
- The Thimi Community Building Programme (supported by AusAID, the Australian Agency for International Development.)

Lumanti has also been a pioneer group in Nepal, with respect to the use of Report Card Testing as a participatory tool to assess performance of local government.

At this point, Karnali asked how one begins to change budget policy and what the role of civil society is in Budget Analysis and to what extent?



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Dr Vyasulu said these are questions to which there is no one answer-these issues have to be grappled with in specific contexts and exchanges across groups will be useful to all.

**Presentation by Prativa Subedi,, WACN (Nari Chetna Kendra Nepal) Nepal - Profile of WACN and their experiences in Budget Analysis, with reference to gender.**

The Women Awareness Centre Nepal -WACN (Nari Chetana Kendra Nepal) is an organization that has been working at the village level for the last 10 years. Its objective is to advocate the strategies and programs essential for the socio-economic development of women and the disadvantaged. A recent report published by this organisation highlighted the fact that much needs to be done for women empowerment and poverty alleviation. Priority needs to be given in the Government's 10th plan for education of girls, awareness programs, alleviation of gender imbalances, women's health and micro level income generating activities, to enable women to become economically independent.

**Presentation by Vinod Vyasulu, CBPS, Bangalore - Shared experiences of Budget Analysis undertaken by CBPS with a brief introduction to the local governance system- the panchayats, and a special focus on the BATF & Janaagraha.**

The Indian system of panchayats allows for three tiers of local governance- the gram panchayat, the taluk and the Zilla Panchayat. There is one elected representative for every 400 voters (Gram Panchayat- GP); one Taluk member for every 10,000 voters (which is a combination of 10-12 gram panchayats) every 25,000 to 30,000 elect one Zilla Panchayat member. At the state level one-lakh voters elect a Member of Legislative Assembly and eight lakh voters elect their Member of Parliament. Bangalore Rural has 8 taluks, each taluk comprises of 23 Village Panchayats.

The Bangalore Agenda Task Force (BATF) was set up by the Chief Minister of Karnataka, to bring together various groups, co-ordinate growth and improve services in Bangalore city. It consisted of representatives of industry, civil society agencies, and eminent individuals from different walks of life. The Chairman of the BATF is Nandan Nilekani, the Managing Director of the well-known firm, Infosys, in Bangalore.

Ramesh Ramanathan, a former banker and the founder of Janaagraha, "a meeting of people" works with the BATF *pro bono*. His work related to the financial aspects of city management. The Bangalore corporation, the BATF found, had no systematic accounts. Books were kept on a "single entry cash basis". This had several drawbacks-there could, for example, be no balance sheet of assets. It



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would not be possible to ascertain if a project had been executed within an allotted budget. The result was that citizens could not ask questions of the corporation about its works.

To remedy this, the BATF decided to work with the Bangalore City Corporation (BCC) to introduce "double entry accrual accounting" from the financial year 2001-02. For one year both systems would run in parallel while the system was being set up. Transactions were classified into codes, and for each work a unique code would be assigned. This would enable the corporation to keep track of expenditures on each work. Audit would be more meaningful. Citizens could demand the accounts of the corporation and ask questions. A good accounting system would automatically bring in transparency. But he also said that it was up to citizens to keep making demands on the BCC-unless such demands were regularly made, the system would atrophy.

In the discussion that followed, it came out clearly that the professional inputs that the BATF brought in from the corporate world were made possible by two factors acting in concert-the strong political support from the Chief Minister of the state, and the interest of local companies that had done well in the recent years to contribute something to improve the city they were located in. The extent to which the staff of the city corporation accepted all this was far from clear. If the political support remained, it may become embedded in the system. The team also asked about the dangers of conflict of interest that could arise. It was there, and openness in functioning was to be fostered carefully.

Shizu Upadhya, of ActionAid, Nepal asked if the Janaagraha movement has been duplicated in other states of India and if it could be used as a model for Nepal?

A. Indira answered that each state in India has subtle differences in terms of governance and did not feel that Janaagraha would be directly applicable in other states though the ideas could be adapted creatively. She cited examples of the other South Indian states. In Andhra Pradesh, a lot of infrastructure development has been undertaken by the elected official, Mr. Chandrababu Naidu, the CM, and not by the people alone. In Tamil Nadu, 40% of the state comprises of towns, not villages. It has one of the best local transport systems in India. Each state must analyse and assess its strengths in terms of the elected official's willingness to contribute to the community and base a model to keep track of the process of social and economic development. But it is possible that the kind of coalition that Janaagraha is building could be used as a guide by others to broaden the base of their work.

**Presentation by T.K Jain, Ajit Foundation, Bikaner - Profile of Organization and their intention to begin budget analysis as a tool to ensure**



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**accountability and encourage social mobilization in rural areas.**

Dr. Jain gave a brief introduction to the town of Bikaner, Rajasthan, which is over 515 years old and known for its culture and heritage in art and craft of all sorts. The Italian government has granted funds for its development as it is considered to be the "twin city of Italy" in terms of cultural richness. It has grown as a town specialising in food processing and the namkeens and sweets from Bikaner serve a national and even international market. The well known name, *Haldiram's* is from Bikaner. He spoke of the Ajit Foundation's work in providing a forum for NGOs to meet and co-ordinate their activities. The fact that the founder, Dr Vijay Shanker Vyas, is one of India's foremost economists, has given a boost to this organisation in his home town. It has provided credibility on which joint and collaborative work is being planned.

The Foundation works on a minimal budget, trying to optimise resources and mobilize people, without duplicating work dealt with by other NGO's and social activists but aims to link up and network with them. The Ajit Foundation observed a decline in the cultural and societal aspect and seeks to revitalize and develop the ancient glory of Bikaner once more.

To achieve this end, the Foundation has:

- Debates and discussion in the city, every 3 months, by inviting individuals to share their experiences of work at the grassroots level - for example, NGOs or social activists like Mohini Giri, Swami Agnivesh, etc.
- Started a Mobile Library Movement to revive and revitalize the past, where reading was an integral part of society and its culture. Old defunct libraries have been opened once again and marginalized sections are encouraged to learn to read and participate in discussions.
- Undertaken a Voters Promotion Campaign, in collaboration with the Election Commission, which increased the voters' turnout by more than 50% with a minimal budget of Rs. 50,000/- for a period of 2 months.
- Invited women activists and representatives in the panchayat to various workshops to increase participation of women in civil society.

The Foundation wants to begin Budget Analysis to improve civil society performance by:

- Inviting people who have worked extensively in the field to share their experiences and expertise (invitation extended to BATF, Janaagraha, BCC, and Sanket Group)
- Starting a newsletter that states commitment and action taken by people circulated throughout the town, using the mobile library movement, to encourage a feeling of community spirit and belonging, to enrich participation from people, in all walks of life.

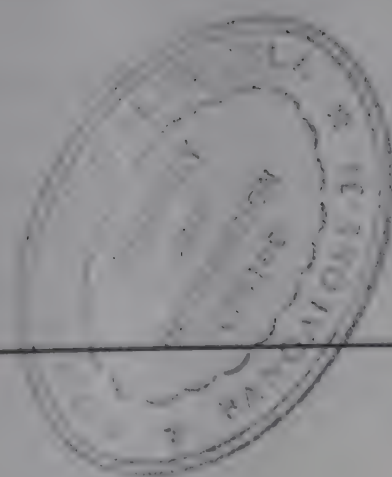


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- Encourage and conduct discussions in the village square - "pata" in the evenings where people gather and talk about issues of social concern and seek solutions, an increase in awareness, at all levels.
  - Conducting training and development workshops with Wards, Municipal Councils and civil society.
  - Setting up links and networking with NGO's and institutions in diverse fields, to unite people.

Dr. Jain expressed his gratitude to participants of the workshop, saying that one is enriched with all the grassroots work that one has heard about and requested more gatherings and activities among South Asian countries so one can improve by learning from each other.

Mr. Acharya pointed out that we are indeed united in a common way, Nepal, too has the concept of the village square, only, it is called "pati" in Nepalese and suggested that it should become a venue for individuals and the community to put forth their work, ideas and seek resolution of problems.

It is interesting to note that like Lumanti, the Ajit Foundation, too was established in the memory of a deceased person and serves to motivate and inspire others to good work.





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## PROPOSALS BY COUNTRY-WISE GROUPS

### Proposal from Bangladesh

A Study in collaboration with IBP and CBPS on the importance of the participation of local government in budget analysis.

#### Research Project on National Budget Process in Bangladesh

This project intends to link local budget process with the elected government and involve people in monitoring and impact assessment. In Bangladesh, the budget making process is just beginning at the local level with four union parishads (i.e. village level local government) starting their own participatory budget formulation process. Mr. Lebu had delineated this process where a 'gram sabha' had been called to discuss the budgetary issues. While around 3000 villagers were present only 40 or 50 of them were local. This may be due to lack of experience and knowledge on the subject. However, interestingly enough through intense debate in the 'gram sabha' they have been able to come up with a budget of their own.

However, from the presentation of the BIDS scholars it became clear that the budget in Bangladesh means national budget. Local level budgets still have not got prominence. The absence of local level budgets may be a lacuna in the local governance system.

The team presented the pros & cons of their national budget. Advocacy in such cases is limited to asking from higher funds for special groups like "poor" or "women" etc

The team therefore tried to address these issues when they presented a possible proposal for future work.

In this proposal they showed their desire to work closely with Mr. Lebu's union 'parishad'. They intend to be present in the 'gram sabha' and train the people about budgets. This, they think, would help them to come up with technically sound budgets. If this training process becomes a success they propose to replicate it in a few other union 'parishads' in order to make the budget formulation process more participatory so that the priorities of the local people are reflected in the budget.

### Proposals from India

#### 1) CBPS - The Proof Campaign

The Centre for Budget and Policy Studies, Bangalore was established in



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1998 by a group of professionals based in different institutions. The mission of the Centre is to contribute through research to contemporary debates around issues of poverty, employment, environment, gender etc. The Centre believes that both economic growth and equity are essential for all round development, and that it is also essential to work at the local levels. Therefore, in its work, the Centre has begun with an analysis of budgets. A budget is a promise made by an elected government to the people who have given it its mandate. Has the government followed policies in line with its promises? Has money allocated been spent? If not - why not? Has the money required been raised by equitable or regressive tax policies? These are all matters that impact on the daily lives of ordinary people. Budgets tend to be long and technical documents. It often needs economists and accountants to act as intermediaries to make the numbers understandable to the ordinary citizen. This is a task CBPS has taken on.

CBPS is privileged to work with its distinguished partners in the PROOF campaign. The Public Affairs Centre is well known for its work, including the innovative Report Cards on citizen satisfaction with civic services. Voices is a well known organisation concerned with democratising the media and both reaching, and giving voice to, the views of the poor. Janaagraha has just completed a campaign in which citizens were encouraged and enabled to interact with their elected corporators in a joint endeavour to include locally important works into the ward works to be taken up by the city corporation. Together, we can make the PROOF campaign a worthy successor of what each has already accomplished- and take the exercise to a higher level.

PROOF is about building confidence. The BMP offers a Public Report Of Operations and Finances on a quarterly basis over the next four quarters that will enable citizens to understand how things are working. How are projects taken up? How well are taxes being collected? What problems does the BMP face, and what can citizens do to help? The potential is great.

If all of us are to contribute to a better Bangalore, we all have to take some responsibility for how our city develops. The BMP is the prime agency to lead this task, but without our help it may not be able to achieve all it should. The Proof campaign is a small beginning to make things better by working together.

CBPS and the others have agreed to meet the costs of this campaign. Each has to raise around 6,000/- US dollars for this purpose. CBPS is now seeking funds for this task.

2) Ajit Foundation - Study on the Municipal Aspect of Bikaner in Budget Analysis presented by T.K Jain

3) Sanket Development Group :Proposal presented by Maheen Mirza & Sandeep Dikshit



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This proposal seeks to integrate budget analysis into the people's report work underway, so that later on the monitoring of plans becomes possible. Details have still to be worked out, and depend on how the 'Janrapat' proceeds.

### **Proposals from Nepal**

1) CPWF : The Forum would like to organise such meetings in Nepal once a year and extend the network to include also Sri Lanka and Pakistan. This workshop was useful in enabling direct interactions across groups with similar interests, and this is rare in this part of the world. So such an initiative is important, and CPWF will be happy to follow up on this.

2) BASE : The proposal seeks to extend budget analysis of the type discussed to other areas and groups. Given that these are the parts of the country facing insurgency, this kind of work is crucial to normalcy returning. Further depth can be provided if the group can interact with the other participants for training etc. They would like CBPS and others to visit their field of work and give suggestions in the field.



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## SUMMARY

There were four objectives that were set out at the onset of this workshop. The first dealt with the sharing of experiences of people from India, Nepal and Bangladesh and becoming familiar with the work being done in each country. This was achieved to a remarkable extent, as we realized that although we are from different countries, we have a lot of similar habits, our culture is similar and we share the sub continent. The village square in Rajasthan is the pata, in Nepal, it becomes the pati, and both Lumanti and the Ajit Foundation have dedicated their work to the memory of a deceased person, and are trying to keep a vision alive.

The second related to facilitating the exchange of information across organisations in the three participating countries. It is true that there are common bonds to many organisations. Addresses and e-mail Id's were exchanged. That sets the ground for such interaction, and time will tell if it is built upon.

The intense interactions have however made it clear that much can be learned from continuing the relationships that have been built in this workshop. Ways of continuing this were discussed, and it was concluded that we would request the IBP to fund such a gathering every year, and the Nepalese expressed their desire to be the host. We thank them for their invitation and will try and take them up on their offer. This is an area where follow up is desirable.

The third objective has to do with the improvement in the capacity of the participants in furthering such work, and such processes. This is a long term issue. We hope that much has been gained, but this again is something that will have to be assessed over time. We would like to know the results of such an assessment.

The fourth objective was to use the opportunity as a base to concretise proposals and secure funding from the IBP. These are poor countries and many have agreed to prepare PRSPs-Poverty Reduction Strategy Programmes. In this context civil society can play an important role to supplement state efforts, and the budget is an important policy tool with which effective intervention is possible. This group was carefully selected to bring together groups that had already a record of work and which had an initial interest to add budget analysis to their existing work. From the first day, country groups were formed with a facilitator from CBPS with the purpose of converting general ideas and hopes into concrete budget analysis projects that would be forwarded to the IBP-for advice and help in funding. The presentations on the third day showed that much was achieved, and each group wanted more time to finalise their proposal. When done, we hope that a substantive programme of work emerges from this effort.



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In all, it is our view that the participants from each country, in the limited time available, got to see the best of what each country was doing in the field of budget analysis, and what each hoped to achieve in the future. The base has been laid for useful collaboration. The ideas in the report are sketches, but all plan to flesh them out in the coming months. The IBP will find a lot of work that it will be expected to support!

As a group, one wished that we had included a field trip in Nepal with any organization, so that we could have better understood the circumstances, at a grassroots level. Maybe it will be possible in the next workshop. We hope to see more of each other and of the other SAARC countries as well.



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## FEEDBACK

The opinions and feelings of the participants were obtained through discussions during the three days of the workshop, both formally and informally. A lot has been learnt from these discussions, both as individuals, and as a group.

The most interesting points:

1. Nepal already has a good network of NGOs working in diverse areas of Municipal finances, eg, Nari Chetana Kendra is looking at gender issues, IIDS is looking at the sensitivity of budgets in terms of poverty and gender. Others are working in the areas of report cards, local governance issues, the Village Development councils.
2. A new group- Centre for Poverty Watch Forum has also made an attempt to bring together all NGOs to do independent research in related areas. The interesting aspect of this centre is that it has tried to attract people from different avenues to give time on different projects.
3. The Nepalese present were aware of the work being done in India in different parts and also had informal links, like with DISHA on tribals, etc.
4. The group wanted more interactive workshops to share their work and have a more structured format of analysis so that more could be achieved in terms of dissemination and awareness building measures in both countries.
5. As for Bangladesh it seemed, the Bangladesh Institute for Development Studies, Dhaka had a centralised presence in the country. It not only undertook a large number of projects on various issues of governance, national budget analysis, etc, it also gave regular training to the elected representatives at various points of time.
6. The participants from Bangladesh included an independent consultant, an elected representative and a representative from a local NGO, all of whom had direct links with BIDS.
7. It also came out that BIDS has a highly well structured method of working as also building of models for all projects.

## LEARNING

The following facts were learnt:

1. A comparison between India, Bangladesh and Nepal helps in appreciating nuances



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2. Models of budget analysis, formulation and advocacy and difference between the states and countries in its implementation are to be better understood.
  3. There is a spirit to bring about changes and community awareness.
  4. The importance of the Panchayat experience and Community Participation ie.
    - a) Participatory planning and panchayats/local governments.
    - b) Panchayats and relations to bodies like user groups
    - c) Planning process & local government and existence of public information

#### SUGGESTIONS FOR IMPROVEMENT

A field visit would have been most useful.



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## CONCLUDING REFLECTIONS

There are so many things we in the sub continent seem to share in common, from attitudes to development to words in our languages. We were constantly in search of a typical Nepali meal, but we somehow missed it! We have begun to appreciate that this workshop has opened our eyes to great complexities, to big challenges we all face. We can learn from each other in specific things. This gathering began that process in a purposeful way. We hope this interaction will continue, not only at an annual workshop in Nepal, but amongst each other, on a consistent level, drawing strength from each other's expertise and minimizing weakness.

The workshop participants requested CBPS [Vyasulu] to pass on the learning's from the workshop to the IBP, and to help in the process of raising funds for the projects that had come out of the deliberations.



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## ANNEXURE ONE : LIST OF PARTICIPANTS

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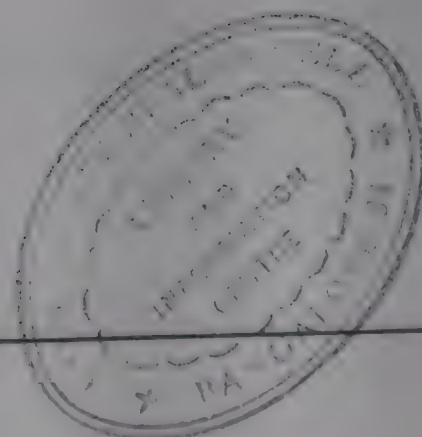
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11/20/2002



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## **ANNEXURE TWO**

### **LIST OF PAPERS PRESENTED**

#### **INDIA**

1. The Cairo Experience of Budgets and Advocacy- A.Indira, CBPS, Bangalore
2. Experiences of CBPS in Budget Analysis in local self governments in Karnataka-K.Jayasimha, CBPS, Bangalore
3. Experiences in the formulation of the Human Development Report in Madhya Pradesh - Sandeep Dikshit, Sanket Development Group, Bhopal
4. 'Janrapat' or People's Report - Maheen Mirza, Sanket Development Group, Raipur
5. BATF and Janaagraha-Vinod Vyasulu, CBPS, Bangalore
6. Ajit Foundation and potential to use Budget Analysis as a tool for Accountability-T.K.Jain, Ajit Foundation , Bikaner

#### **BANGLADESH**

1. National Budget and Advocacy- BIDS participants

#### **NEPAL**

1. Metodological Note on Gender Budget Auditing- Dr. Meena Acharya, TPAMF, Nepal
2. CPWF and its interest in Budget Analysis for thr formulation of pro poor policies.- Dadhi Adhikari, CPWF, Kathmandu
3. BASE and its interest in Budget Analysis-Chaudhary brothers, BASE, Dang
4. Lumanti and its experiences in Report Card Testing- Surendra Man Shakya,Kathmandu
5. Experience of Budget Analysis with reference to Gender- Prativa Subedi, WACN, Kathmandu.









The Centre for Budget and Policy Studies (hereinafter referred as the Centre) is a non-partisan, non-profit, independent society established by a group of professionals based in Bangalore and registered under the Karnataka Registration of Societies Act in February 1998 (no 777 of 199701998). The President is Dr. D. K. Subramanian and the Secretary and Director is Dr. Vinod Vyasulu.

The objective of the Society is to contribute through research to understanding and implementing a process of long run, sustainable, equitable development in countries like India. Equity, as we understand it, extends across time - future generations must not be deprived of resources because of irresponsible use - and class and gender - all human beings have inalienable rights that society must ensure.

An area in which the CBPS has made a contribution is in the context of the ongoing process of democratisation and decentralisation following upon the 73rd and 74th amendments to the Indian Constitution. In this context, budgets of different governmental bodies are important statements of policy priority. Budget analysis at local levels is an area where much needs to be done. An example is the work of the Centre in studying the budgets of two zilla panchayats [Dharwad and Bangalore (Rural)] in Karnataka. This report, formally released by the Governor of Karnataka, Her Excellency Smt. Rama Devi on July 4, 2000, is being used in programmes to orient those who have newly been elected to local government bodies. The CBPS is currently working on a study of the finances of a few city municipal councils in Karnataka.

One way of meeting our objective is by providing inputs into ongoing debates in society on matters of policy priority by collecting and analysing information and presenting scenarios on different options that face the public. Industry is one such area. The functioning of different sectors of industry, its impact on employment, livelihoods, productivity and the like, and the different options open to this country, in the midst of major global changes like the advent of the WTO, need careful study and debate. CBPS did a study and published a monograph. Another area of importance is an understanding of the nature of the local economy. The Centre has worked on this issue and a manual on the method to calculate District Income in India, sponsored by the Planning Commission, is being published by Macmillan India.

Another area of importance is ecological and environmental sustainability. The interface between local bodies and environmental programmes is another area of focus. CBPS has studied the working of programmes like drinking water, watershed development and joint forest management to see how local bodies can contribute to the meeting of national objectives.

CBPS is a partner in a campaign called PROOF (Public Record of Operations & Finance) along with 3 other Bangalore based organisations. The PROOF campaign provides an opportunity for citizens & the corporation of Bangalore (BMP) to join hands and demonstrate that public money is being used for public good. This will be achieved by systematic BMP performance report & reviews, substantiated by performance indicators & explanatory statements.

CBPS will remain a small body of professionals who will work by interacting and networking with others who share such interests. Working groups for different studies with professional membership will be set up, and will work with minimal infrastructure. Full use will be made of modern technology in this process. The results of such work will be used in training, in dissemination of results and in follow up programmes.